

Melanie Duis

June 21, 2006

Re: Business Opportunity Rule R511993

Dear Sir or Madam:

I am writing this letter because I am concerned about the proposed Business Opportunity Rule R511993. While I understand the responsibilities of the FTC to protect the public from “unfair and deceptive acts or practices,” I believe that this proposed rule could prevent me from continuing as a distributor for Young Living Essential Oils. There are specific sections in the proposed rule that will make it very difficult, if not impossible, for me to sell Young Living’s products. Like me, the vast majority of Young Living distributors promote the purchase of product rather than any business opportunity.

I have been a distributor with Young Living for a year. I became involved with this company because I felt the products were exceptional. Later on, I became further involved so that I could earn additional income. Through Young Living, I have developed leadership skills and cultivated many meaningful relationships. My family and I enjoy the health benefits of using these products daily and are thrilled to be part of Young Living. We have come to rely on the income from my direct selling business. The future of my family is dependent on the stability of the direct selling industry.

Seven-Day Waiting Period One of the most confusing sections of the proposed rule is the seven-day waiting period to enroll new distributors. Young Living’s Starter Kits cost only \$50.00. Each kit contains products, samples, and training materials, worth far more than the sale price. Young Living fully refunds this cost if the customer decides to send it back. When a Starter Kit is purchased, the purchaser becomes a distributor and is granted special discounted pricing on all orders. Having to wait 7 days before you can order the products you want at a discount penalizes the new distributor. Implementing the waiting period would create also tremendous amount of clerical work for a small distributor like me. I pride myself on my honesty when presenting the Young Living products and distributor benefits.

References The proposed rule requires the disclosure of a minimum of ten prior purchasers nearest to the prospective purchaser. I am glad to provide references, but, in this day of identity theft, I am very uncomfortable giving out the personal information of individuals, particularly without their approval, to strangers.

Litigation Disclosing pending litigation on fair practices is unreasonable. Though it may be required in the annual reports of publicly traded companies, there is no merit to require such disclosure to potential distributors willing to spend \$50 on a starter kit. I spend much more every time I go into a department store. I don’t believe having the knowledge of their litigations would change my spending habits.

Cancellation Some people decide to stop purchasing from Young Living after a period of time or purchase very sporadically and lose their distributor status. As with any large business, this amounts to tens of thousands of individual customers who no longer order from them each year. Maintaining such lists and providing them to every potential distributor and wholesale customer would be an unrealistic burden.

Exemption For about 25 years the FTC's Franchise Rule included only those opportunities that required a buyer to make a payment of at least \$500 within the first six months of operation. Any buyer making payments of less than \$500 within the first six months was exempt from further requirements. The April 12, 2006, proposed rule completely eliminates this \$500 exemption! In 1979, to justify the reasonable \$500 exemption, the FTC wisely said: "When the required investment to purchase a business opportunity is comparatively small, prospective purchasers face a relatively small financial risk." This is still true today. This exemption is necessary because without such an exemption, the proposed rule places an unreasonable burden on tens of thousands of Young Living distributors, like me, and on millions of direct selling and network marketing distributors throughout the US. This would be devastating to the growth of my business and that of millions of Americans. I believe that the proposed application of this rule to my business constitutes an unjustified overreaching. Please reinstate at least a \$500 exemption.

FTC may be trying to protect consumers, yet I believe this proposed new rule has many unintended consequences that would be more detrimental to future customers and distributors. The FTC can not guarantee success or failure. That is my responsibility. Through educating myself about products and compensation plans I am able to make my choices. Being a Young Living distributor is enabling my family to enjoy exceptional products while I build a business. Please reconsider this burdensome rule and allow me to pursue the business opportunity I have chosen.

Thank you for your time in considering my comments.

Respectfully,

Melanie D. Duis